

ATTAWAPISKAT FIRST NATION

P.O. Box 248
Attawapiskat, Ontario P0L 1A0

Answering some of the concerns arising from misleading news reports made during the week of November 27, 2011 arising from community members, and reported by members of the media

Question: *That the First Nation purchased a Zamboni ice resurfacer for two hundred thousand dollars with education funds.*

Answer: The Olympia ice resurfacer was purchased this summer was to replace a unit that was originally purchased in 1997, and had reached the end of its useful operational life, and was posing a potential health and safety issue for the operators.

The new machine in question was purchased in the summer of 2011 for \$85,035, and paid entirely through the proceeds generated from community Bingo fundraising, a copy of the invoice, and copies of cheques issued for payment are appended to this report as Appendix A.

The Community Bingo Fundraising Fund exists through the good efforts of community members who volunteer their time to hold nightly Bingo's in order to raise funds necessary to assist the greater community, and the profits are used to support community recreation, and youth activities throughout the year.

Funds raised from community fundraising are maintained separately from the finances of the First Nation, and is overseen by the fundraising group.

Freight charges from Cochrane to Moosonee was paid for by the First Nation from an allocation from its Casino Rama proceeds, and the barge transportation costs from Moosonee to Attawapiskat was donated by Moosonee Transportation Limited, the regional barge transportation firm.

In all, the people of Attawapiskat paid for the purchase of this much used piece of recreational equipment for the benefit of the people of Attawapiskat.

Question: *That the relationship between the current Chief, and co-manager was unknown to the people of Attawapiskat.*

Answer: The relationship between then Deputy Chief Spence was well known to members of the community upon his selection as co-manager by then Chief Theresa Hall, and members of Council, and the greater community when the services of Mooshum Enterprises was retained in July 2010, by the Chief and Council. At the time of the hiring of Mr. Kennedy as Co-Manager in July 2010, the relationship was well known to then members of Council, governmental officials, and members of the community.

The selection of Mr. Kennedy was done just prior to the last General Election for the Chief and Council in July 2010, and whose relationship was an item of concern with some members of the community during the election campaign.

The electors of the Attawapiskat First Nation elected then Deputy Chief Spence to the higher office of Chief of the Attawapiskat First Nation, with these conditions being known.

Question: *That then Deputy Chief Spence used undo influence to hire her life partner Clayton Kennedy as Co-Manager.*

Answer: In July 2009, the First Nation was in need of a new Co-Manager to replace the previous co-manager who had resigned in order to explore other opportunities with the First Nation. At that time there was the issuance of a formal request for proposal for services issued for the provision of Co-Management services issued by the First Nation. The notice was published in newspaper publications in Thunder Bay, Sudbury, and Timmins. The First Nation received five submissions from individuals, and accounting firms for the provision of the requested services, and based after an initial screening based on the Request for Proposal, four proposals were selected for a further in depth interview. One proposal was rejected due to failure to submit a proposal consistent with the Request for Proposals.

At the conclusion of the proposal tender call, a formal review committee, consisting of senior First Nation Management held interviews with each of the four firms, and individuals that submitted a proposal for services. The interview committee then proceeded to recommend to Council a list of deemed acceptable candidates based on the strengths of their proposals, and based on the results of the interview process the Council elected to retain the services of a nationally known accounting firm. Mooshum Enterprises as represented by Mr. Kennedy was on the short list of recommended candidates, and a formal contract was entered into with a nationally known accounting firm till March 31, 2010.

In June 2010, after the dismissal of the nationally known accounting firm for lack of communication, and working with Council, as well as for failure to work with local staff in the enhancement of local capacity, then Chief Theresa Hall was informed by the then Acting Regional Director General of Indian Affairs, to have a replacement Co-Manager named within ten days, or face the possibility of future sanctions.

Chief Theresa Hall, then instructed senior management of the First Nation to meet the deadline, and senior management based on a review of the previous interviews from the September 2010, determined that there was one of the recommended candidates who was able to meet the deadlines imposed by INAC. In order to ensure the validity of the previous interview panel, senior management had a follow up interview to confirm the results, and findings of the original selection panel. This was done, and the interview results confirmed the findings of the original panel and a report recommending Mooshum Enterprises as represented by Clayton Kennedy to be named for the position of Co-Manager, was presented to the full Chief and Council for review, and approved by a motion of Council. Subsequent to that a contract was signed, with a renewal issued on April 1, 2011.

The status of the relationship between then Deputy Chief Spence, and Clayton Kennedy was a known element to all members of the Chief and Council, senior management of the First Nation, the general community, and direct day to day agents of various agencies.

Then Deputy Chief Spence excluded herself from any meeting where the topic of the position of co-manager was discussed, and did not participate in any fashion regarding the recruitment of the Co-Manager for both recommendations to Chief and Council.

The First Nation had completed the recruitment process, and signing of a new co-manager, within the period demanded by Indian Affairs with two days to spare.

The Co-Manager advises, and seeks the consent of a quorum of Council. Any recommendations from the Co-Manager regarding any suggested courses of action are only implemented with the majority decision of a quorum of Council present, of which Chief Spence is one vote, amongst thirteen members.

Chief Spence is not a signing authority on any bank accounts of the First Nation.

Question: *That the First Nation used education dollars to build the Reg Louttit Sportsplex.*

Answer: Yes, education dollars received from INAC did support the construction and operation of the Reg Louttit Sportsplex. Details are explained further in this section. In addition, funding partners to the successful construction of the facility in 1998 were the Attawapiskat First Nation, and members of the community as represented by the Attawapiskat Maytawaywin Authority.

In addition, there were capital contributions from INAC towards the gymnasium facility, and Ontario provided a capital contribution to support the community hall portion. The majority of funding for the project was obtained through a bank loan to be repaid in varying amounts by each of the three Attawapiskat entities.

The project was financed through a bank loan negotiated from the Scotiabank of Canada for the value of the construction project. The principal borrower was the Attawapiskat Education Authority, who guaranteed that payment amounts for the Attawapiskat First Nation, and Attawapiskat First Nation Maytawaywin Authority.

The Attawapiskat First Nation, made all of its payment terms under the terms of the loan for the construction of the Sportsplex.

The Attawapiskat Education Authority, paid for its portion of the loan, and as well as the Maytawaywin Authority. These are recorded in the financial statements of the Authority.

When the loan was negotiated in 1998, the First Nation was under a very different funding agreement with Canada than that what exists currently(2011). Two different funding agreements existed at that time with the First Nation.

The Education Authority in the late nineties received funding from INAC under a separate independent funding mechanism called an Alternative Funding Arrangement, which allowed for multiyear funding, with the flexibility offered to the Authority to determine what services, and to what level they were to support various programs. The establishment of yearly funding, and service priorities were to be determined by the Board of the Attawapiskat Education Authority. This funding mechanism allowed the Board the flexibility to prioritize construction of the Arena, while financing this obligation over a number of years.

During the same timeframe, the First Nation Administration was under the traditional single year funding arrangements, which restricted funding to specific services on the basis of a single fiscal year. Payments were made from surpluses generated from Band operated programs, such as Tech Services.

The desire for an all season recreation facilities has been a long desired dream of the community, since the eighties.

Throughout this time, members of a community fundraising group, held bingo's, and raffle tickets to raise the necessary funds, devoting countless amount of time, and the resources of many community Bingo's.

Through the efforts of the late Reg Louttit, the Attawapiskat First Nation under Chief Ignace Gull, and Attawapiskat First Nation Education Authority under Chairman Steve Hookimaw determined that with some minor assistance from government agencies, that through the combined efforts of the three local partners, that there was sufficient resources available to see the construction of the recreation centre.

Funding for the facility was authorized by the then Board of Directors of the Attawapiskat Education Authority, under the Chairmanship of Steve Hookimaw, and the Chief and Council of the Attawapiskat First Nation under Chief Ignace Gull.

Sadly, the first event to be held at the recreation centre was to be the funeral services for Reg Louttit.

In honour of his years of dedicated services for fundraising of the facility, and for the numerous good works done on behalf the Attawapiskat people, the Sportsplex now bears his name for future generations.



Resurface Corp.
 25 Oriole Parkway East
 Elmira, Ontario, Canada
 N3B 3A9
 Tel: 519-669-1694
 Fax: 519-669-8896

June 22, 2011.

Attawapiskat First Nation
 PO Box 248
 Attawapiskat, Ontario
 P0L 1A0

Attention: Mr. Mike Gull

QUOTATION

1 OLYMPIA Millennium Ice Resurfacer (Front Dump) \$80,040.00

EQUIPMENT INCLUDED IN THE ABOVE PRICE

1	Emission Control System (3-Way Catalytic Purifier & Fuel Management System)	
1	Board Brush	
1	Automatic Snowbreaker	
1	Towel Bar Lift	
1	Easily Accessible Sled Lift Greasing System	
1	Propane Kit Installed (does not include tanks)	
1	Wash Water System-Stainless Steel Tank	
1	Stainless Steel Floodwater Tank	
1	Wheel Wash System	
1	Galvanized Conditioner	
4	Blades	1 Blade Protector
1	Set of Blade Hooks	1 Tool Kit
1	Spare Tire	1 Light Package
1	Trade-in of 1998 OLYMPIA ice resurfacer (to be picked up from Cochrane, Ontario)	-\$12,000.00
1	OLYMPIA Battery Edger	\$ 4,995.00

HST Exempt

FOB: Cochrane, Ontario

Terms: 1% 7 days, Net 30 days

Warranty: 2 Full years, Parts, Labour & Mileage. A loaner will be provided at No Charge if warranty work needs to be completed at factory.

Graham Nesbitt
 (519)

Olympia – when your ice needs a Smooth Clean Shave

Print

Close

Olympia Millennium Ice Resurfacer

From: stella lazarus

Date: August-05-11 8:34:57 PM

To: sales@resurface.com

Greetings Mr. Nesbitt,

This is just to confirm of our conversation today, Friday, August 5, 2011, of my arrangement to purchase the Olympia Millennium Resurfacer for \$80,040.00 and of the Olympia Battery Charger for \$4,995.00. The total cost overall is going to be \$85,035.00.

I will prepare a payment of \$42,517.50 for now, which is half of the purchase cost. If the purchased item arrives in good condition in Attawapiskat, I will then make a payment for the remaining balance. I believe this is our understanding.

If you have anymore questions, email me.

Thank you


Stella Lazarus

Northern

ATTAWAPISKAT, ON

TO Resurface Corp.
25 Oriole Parkway East
Elmira, ON N3B-3A9

0307

DATE Aug. 6, 2011

DATE	PARTICULARS	AMOUNT
08/06/11	To: Resurface Corp.	42517.50
	From: Reg Louthit Sportsplex % Stella Lazarus	

TNWC1 (06/06)

DETACH BEFORE PRESENTING CHEQUE

BEFORE ACCEPTING CHEQUE, PLEASE HOLD UP AND EXAMINE FOR THE GENUINE DOCUCHECK WATERMARK, FRONT AND BACK

Northern

ATTAWAPISKAT, ON

0307

DATE 08 06 20 11
M M D D Y Y Y Y

PAY THE SUM OF

AMOUNT

Forty Two Thousand Five Hundred + Seventeen ⁵⁰/₁₀₀ \$ 42517.50

TO THE ORDER OF

Resurface Corp.
25 Oriole Parkway East
Elmira, ON N3B-3A9

THE NORTH WEST COMPANY LP

AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

TD CANADA TRUST 004-63307
201 PORTAGE AVENUE AT MAIN STREET
WINNIPEG, MANITOBA R3C 2T2

⑈ 106003073⑈ ⑆ 04307⑈ 004⑆

⑈ 47430⑈

RESURFICE CORP.

25 Oriole Parkway East, P.O. Box 361, Elmira, Ontario, Canada N3B 3A9
 Fax: (519) 669-8896 www.resurface.com Phone (519) 669-1694

INVOICE

INV #	DATE
56316	28/09/11
REF #	PO #

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Attawapiskat Maytawaywin Autho
 PO Box 500

Attawapiskat ON P0L 1A0

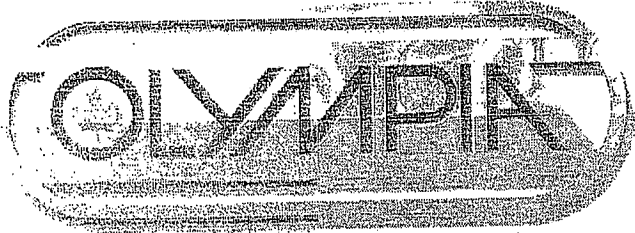
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Attawapiskat Maytawaywin Autho
 PO Box 500

Attawapiskat ON P0L 1A0

ORDER #	ORDER DATE	SALESMAN	SHIP VIA	TERMS
55225	08/08/11	080	Our Truck	Special

QUANTITY	ITEM-NUMBER	DESCRIPTION	UNIT	UNIT PRICE	AMOUNT
1.0		OLYMPIA MILLOLYMPIA MILLENNIUM Serial Number	EA	80,040.0000	80,040.00
1.0	02	10 OLYMPIA MILLENNIUM	EA		
1.0	04	39-A GALV. CONDITIONER 84 WITH W/W	EA		
1.0	02	55 PROPANE-IMPCO	EA		
1.0	02	71 WASH WATER STAINLESS STEEL	EA		
1.0	02	65 S/S WATER TANKS MILLENNIUM	EA		
1.0	02	77 WHEEL WASH S/S MILLENNIUM	EA		
4.0	20	9547 Blade 84 X 5 X .5 Serial No: RM11095511044	EA	.0000	.00
1.0	06	8000 Olympia Edger Battery Serial No: RCB1109552 50% Deposit = \$42517.50 Balance = \$42517.50 due on delivery	EA	4,995.0000	4,995.00



FREIGHT	.00
GST/HST	11,054.55
PST	
TOTAL	96,089.55

Printed invoice and all documentation will be mailed separately.

Title to goods remains with Resurface Corp. until goods are paid in full.

GST Reg No. R104498555

Northern
ATTAWAPISKAT, ON

TO Resurface Corp.
25 Oriole Pkwy East P.O. Box 361
Elmira, ON N3B 3A9

03251

DATE Nov. 28, 2011

DATE	PARTICULARS	AMOUNT
Nov. 28/11		42 517.50 17.00 <hr/> 42 534.50

THWC1 (06/06)

DETACH BEFORE PRESENTING CHEQUE

BEFORE ACCEPTING CHEQUE, PLEASE HOLD UP AND EXAMINE FOR THE GENUINE DOCUCHECK WATERMARK, FRONT AND BACK

03251

 Northern
ATTAWAPISKAT, ON

DATE 11 28 2011
M M D D Y Y Y Y

AMOUNT

PAY THE SUM OF

Forty-two thousand. Five hundred seventeen dollars — ⁵⁰/₁₀₀ \$ 42 517.50

TO THE
ORDER OF

Resurface Corp
25 Oriole Pkwy. East PO Box 361
Elmira, ON N3B 3A9

THE NORTH WEST COMPANY LP


AUTHORIZED SIGNATURE


AUTHORIZED SIGNATURE

TD CANADA TRUST 004-63307
201 PORTAGE AVENUE AT MAIN STREET
WINNIPEG, MANITOBA R3C 2T2

⑈ 106003251⑈ ⑆04307⑈004⑆

⑈ 47430⑈



Attawapiskat
General Delivery
Attawapiskat, ON

Date: 11/28/2011 11:26

RLSP REG, LOUTTIT SPORTSPLEX/xxxxxxxxx
Stella_

***** DUPLICATE *****
CPO on Account: \$42,517.50

SUB TOTAL \$42,517.50

Change (\$42,517.50)

Signature: _____

RLSP REG, LOUTTIT SPORTSPLEX/xxxxxxxxx
Account Balance:

Oper.: 106009
Store#: 106 Inv#: 907-00349584 Trans#: 52926
5

Thank you
When you LIKE our Northern / NorthMart
Facebook page you'll automatically be
entered to WIN a \$500 Store Gift Card!
Visit facebook.com/northernstores



Attawapiskat
General Delivery
Attawapiskat, ON

Date: 11/28/2011 11:18

Cash Received

Non-NWC CT Fees: \$17.00

Cash \$17.00

Oper.: 106009
Store#: 106 Inv#: 907-00349579 Trans#: 52926
0

Thank you
When you LIKE our Northern / NorthMart
Facebook page you'll automatically be
entered to WIN a \$500 Store Gift Card!
Visit facebook.com/northernstores